



WASHOE COUNTY

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STAFF REPORT BOARD MEETING DATE: June 28, 2016

CM/ACM
Budget
DA
Comptroller
HR n/a
Other NA

DATE: June 6, 2016

TO: Board of County Commissioners

FROM: Mark Mathers, Budget Manager
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THROUGH: Al Rogers, Director of Management Services
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SUBJECT: Recommendation to approve the use of General Fund Contingency required to cover previously approved unbudgeted expenditures for Fiscal Year 2015-2016; approve cross function appropriation transfers required to move savings from one function to another function so as to bring the budget authority to the level of the actual expenditures required for Fiscal Year 2015-16; and, direct the Comptroller's Office to make the appropriate appropriation transfers prior to June 30, 2016 (net impact to County Budget is zero). (All Commission Districts)

SUMMARY

Nevada Revised Statute (NRS) 354.598005(5) provides that "budget appropriations may be transferred between functions, funds or contingency accounts if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions". The purpose of this item is to consider approval of year-end appropriation transfers and the use of general fund contingency to bring department budgets in line with actual spending. All adjustments are within the existing approved budget for Washoe County. Approval of this recommendation will put in place the budget authority for expenditures already incurred for Fiscal Year 2015-16.

Washoe County Strategic Objective supported by this item: Achieving Long Term Financial Sustainability

PREVIOUS ACTION

May 18, 2015 - the Board of County Commissioners approved the 2015-16 final budget.

BACKGROUND

NRS 354.598005(5) provides that "budget appropriations may be transferred between functions, funds or contingency accounts if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions". Transfers of appropriations between functions or programs within a fund (cross-functional transfers) or between funds (interfund transfers) or from a contingency account require approval of the governing body.

AGENDA ITEM # 5H2

In some years, year-end budget adjustments are required to bring department budgets in line with actual spending. The adjustments include the use of general fund contingency and salary savings from departments. All adjustments are within the existing approved budget for Washoe County. Approval of this recommendation will put in place the budget authority for expenditures already incurred for Fiscal Year 2015-16. In the case of the two Contingency items requested for the Manager's Office, the Manager's Office generated \$250,000 in additional, unbudgeted revenues during the fiscal year to fully cover these unanticipated costs.

The following budget adjustments are required:

Manager's Office - \$80,000: On January 26, 2016, the BCC received a staff report outlining the merits of a study of the feasibility and costs of a combined, regional dispatch center. A Request for Proposal (RFP) for consulting services to conduct this study was issued in May and proposals were received earlier this month. A transfer of \$80,000 from the General Fund Contingency account is required to cover the cost of the study.

Manager's Office – Gerlach Fire - \$175,000: The County is currently in the process of reconfiguring fire and EMT services in the Gerlach area. As part of this realignment, the County entered into a temporary agreement with the Truckee Meadows Fire Protection District (TMFPD) to provide these services while the County recruits for two new fire support positions. A transfer of \$175,000 from the General Fund Contingency account is required to cover the portion of these costs that exceed budget.

Manager's Office – Net-Zero Budget Adjustment: A cross-functional appropriation transfer of \$13,175 is required to ensure sufficient budget authority in the Public Safety Function of the Manager's Office for the partially grant-funded Emergency Management Program Assistant.

Regional Permits Fund - \$1,000: The Regional Permits Fund, which is used to track non-capital expenses related to the implementation of the Accela regional license and permitting system, was established as an interest-bearing fund. Because of this, the fund is allocated investment management expenses, which were not budgeted in Fiscal Year 2015-16. A transfer of \$1,000 from the General Fund Contingency account is required to cover these expenses.

Medical Examiner - \$75,000: Due to staff turnover during this fiscal year and the necessity to have the daily functions of the Medical Examiner's Office completed in a timely manner, coverage for vacancies has been accomplished by utilizing contract pathologists, overfills and intermittent staff. A transfer of \$35,000 from the General Fund Contingency account is required to cover these costs. In addition, actual revenues for the Medical Examiner's Office are expected to exceed budgeted revenues by \$40,000 due to increased work performed for non-Washoe County agencies. An additional transfer of \$40,000 is therefore recommended to cover the additional costs of these services.

FISCAL IMPACT

The use of contingency funds in account 189000-820000 and cross function budget movements of salary savings and debt service savings will be done to cover all adjustments required to bring the budget in line with actual expenditures for Fiscal Year 2015-16. All adjustments are within the existing approved budget for Washoe County and are summarized below:

Fund/Function	Department/Expenditure	Budget Change
<u>General Fund</u>		
General Gov't	Manager's/Personnel – 101840 – 701130	(13,175)
Public Safety	Manager's/Personnel – 60365 – 701130	13,175
General Gov't	Contingency – 189000 - 820000	(331,000)
General Gov't	Transfer to Regional Permits – 189000 - 812230	1,000
General Gov't	Manager's/Professional Services – 101100 – 710100	80,000
Public Safety	Manager's/Fire Suppression – 187530 - 710400	150,000
Public Safety	Manager's/Fire Suppression – 187530 - 711504	25,000
Public Safety	Medical Examiner/Personnel - 153010 – 701412	75,000
Reg. Permits Fund	Transfer from General Fund – 230010 - 621001	1,000
Reg. Permits Fund	Investment Pool Alloc. Expense – 230010 – 710149	1,000

RECOMMENDATION

It is recommended that the Board of County Commissioners approve the use of General Fund Contingency required to cover all previously approved unbudgeted expenditures for Fiscal Year 2015-16; approve cross function appropriation transfers required to move savings from one function to another function so as to bring the budget authority to the level of the actual expenditures required for Fiscal Year 2015-16; and, direct the Comptroller's Office to make the appropriate appropriation transfers prior to June 30, 2016.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: Move to approve the use of General Fund Contingency required to cover all previously approved unbudgeted expenditures for Fiscal Year 2015-16; approve cross function appropriation transfers required to move savings from one function to another function so as to bring the budget authority to the level of the actual expenditures required for Fiscal Year 2015-16; and, direct the Comptroller's Office to make the appropriate appropriation transfers prior to June 30, 2016.